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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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20350	7590	07/31/2007		EXAMINER
TOWNSEND AND TOWNSEND AND CREW, LLP				KARMIS, STEFANOS
TWO EMBARCADERO CENTER				
EIGHTH FLOOR			ART UNIT	PAPER NUMBER
SAN FRANCISCO, CA 94111-3834			3691	
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			07/31/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)
	09/516,949	KUIT ET AL.
	Examiner	Art Unit
	Stefano Karmis	3691

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) Responsive to communication(s) filed on 20 January 2007.
- 2a) This action is **FINAL**. 2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) Claim(s) 1-20 is/are pending in the application.
 - 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) Claim(s) _____ is/are allowed.
- 6) Claim(s) 1-20 is/are rejected.
- 7) Claim(s) _____ is/are objected to.
- 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 - a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) Notice of References Cited (PTO-892)
- 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) Notice of Informal Patent Application
- 6) Other: _____

DETAILED ACTION

1. The following communication is in response to the amendment filed on 11 May 2007.

Status of Claims

2. Claims 1, 4, 8 and 13-17 are currently amended. Claims 1-20 are pending.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 1-20 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Regarding claim 1, the benefits provider renders the claim indefinite because it is not clear who controls the monetary value. Claim 1 states that the a central computer controlled by the issuing authority and having applications for processing benefits information, the benefits information including a benefits monetary value...". However, claim 1 also states that a benefits provider inputs or updates the benefits monetary value and is different than the issuing authority. The cited passages in the specification by the Applicant in remarks (Original Application, p. 7, ll.9-22; p. 10, ll. 16-35) do not clarify the role of a benefits provider or distinguish a benefits provider from an issuing authority. For interpretation purposes, the claim is interpreted to have

one entity issue the smart card and another entity provide the benefits. Claims 2-20 are rejected for similar reasons/dependency.

Response to Arguments

5. Applicant's arguments with respect to claims 1-20, filed 11 May 2007 have been fully considered but are not persuasive.

Applicant argues that Sehr fails to teach entry means for allowing a benefits provider [that is a distinct entity from the issuing authority] to input or update the benefits monetary value. The Examiner respectfully disagrees. The interpretation of this limitation has been discussed above in the 35 U.S.C. 112, second paragraph rejection. Sehr teaches a TRAVEL CENTER that issues the cards and loads the cards with the use rights (column 4, lines 48-57). Sehr teaches that the SERVICE PROVIDERS store electronic monetary value or other electronic payment means in the card (column 4, lines 58-67). Therefore Sehr teaches that the entity in control of card issuance is different than the entity in control of monetary value. Therefore Applicant's argument is not persuasive.

In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., benefits provider such as government agencies, welfare agencies, educational institutions and private business) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993). Applicant's preferred embodiment is directed towards a transit authority. Similarly Sehr, teaches a multi-application card for travel

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issued by a Travel Center. Sehr also teaches other providers such as fast food vendors, retail outlets, concession stand owners and Internet service and content providers (column 5, lines 1-7). Claims are given their broadest reasonable interpretation and the teachings of Sehr are sufficient to teach a benefits provider.

Regarding claim 3, Applicant contests an Official Notice rejection regarding claim 3. However claim 3 was not rejected under Official Notice.

Therefore claims 1-20 stand rejected and Applicant's request for allowance is respectfully declined.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

7. Claims 1, 4, 6-8, 10-13 and 16-20 are rejected under 35 U.S.C. 102(e) as being anticipated by Sehr U.S. Patent 6,609,658.

Regarding claim 1, Sehr discloses a system for enabling an issuing authority to distribute benefits to a plurality of patrons, the system comprising:

at least one smart card associated with each patron of the plurality of patrons, the at least one smart card having a serial number and means for storing information, the smart card

configured to operate in at least one of a plurality of benefit types (column 6, lines 20-42 and column 7, lines 28-67);

 a central computer controlled by the issuing authority and having applications for processing benefits information, the benefits information including a benefits monetary value associated with each said patron (column 8, lines 5-61 and column 9, lines 23-67);

 a benefits storage device connected to the central computer for storing the benefits information (column 8, lines 5-61);

 an entry means for inputting or updating the benefits information to the benefits storage device (column 8, lines 5-61); and

 an express vending machine having a bidirectional electronic connection to the central computer for accepting a transfer of at least a portion of the benefits monetary value to the at least one smart card, the express vending machine having a user interface for each said patron to request the benefits and a benefit type from the plurality of benefit types, and a read/write mechanism for reading the at least one smart card and writing the benefits monetary value and the benefit type to the at least one smart card (column 7, line 28-67, column 10, lines 4-24 and column 10, line 66 thru column 11, line 5).

Claim 4, wherein the system for distributing benefits further comprises a web server connected to the central computer; and a remote terminal connected to the web server by means of an internet connection, the remote terminal for inputting benefits information (column 4, line 48 thru column 5, line 7 and Figure 1).

Claim 5, wherein the system for distributing benefits further comprises a smart card read/write device connected to the terminal for writing the at least a portion of the benefits monetary value to the at least one smart card (column 6, lines 43-55 and column 10, lines 3-24).

Claim 6, wherein the issuing authority is a transit system authority (column 7, lines 28-38 and column 8, lines 1-5).

Claim 7, wherein the at least one smart card is used for purchasing transit fares and parking fees from the transit authority (column 27, line 66 thru column 28, line 26).

Claim 10, wherein the express vending machine further comprises a station monitor and display system for connecting the express machine to the central computer, the station monitor and display system collecting transaction and maintenance data from the express vending machine (column 8, lines 44-61).

Claim 11, wherein the station monitor and display system forward the transaction and maintenance data to the central computer for consolidation and preparation of a plurality of management reports (column 8, lines 44-61).

Claim 12, wherein the express vending machine has an add value function for each said patron to add value to the at least one smart card separate and in addition to the benefits monetary value (column 10, lines 25-28).

Claim 13, wherein a customer of a plurality of customers is responsible for offering the benefits to a set of patrons of the plurality of patrons, and wherein the customer is liable to the issuing authority for the benefits monetary value distributed to the set of patrons (column 4, lines 48 thru column 5, line 15 and column 16, lines 22-39).

Regarding independent claim 16, Sehr discloses a method for distributing benefits to a patron of a plurality of patrons, the method comprising the steps of:

maintaining a benefits database in a central computer, the benefits database including benefits information for the plurality of patrons, the benefits information including a patron identifier and a monetary benefit value for the patron (column 8, lines 5-61);

downloading at least a portion of the monetary benefit value to a smart card upon a request from the patron at a vending machine (column 7, line 28-67, column 10, lines 4-24 and column 10, line 66 thru column 11, line 5); and

configuring the smart card for a particular benefit type from a plurality of benefit types (column 6, lines 20-42 and column 7, lines 28-67).

Claim 17, wherein the step of maintaining a benefits database includes entering benefits data into the benefits database utilizing a remote terminal (column 4, line 48 thru column 5, line 7 and Figure 1).

Claim 18, wherein the remote terminal is connected to the main computer by means of an Internet connection (column 4, line 48 thru column 5, line 7 and Figure 1).

Claim 19, wherein the step of downloading includes requesting a claim at the vending machine; sending a request message to the central computer; sending a response message from the central computer to the vending machine, the response message containing an authorized value; writing the authorized value to the smart card; and sending a confirmation message to the central computer that the authorized value was written to the smart card (column 8, lines 1-61).

Claim 20, wherein the request message includes a serial number from the smart card, a sequence number and a requested value, and wherein the confirmation message is not received by the central computer further comprising the steps of: verifying the sequence number against a stored sequence number to determine whether the card has received the requested value in a prior transaction (column 8, lines 1-61).

Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

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9. Claims 2, 3, 14 and 15 rejected under 35 U.S.C. 103(a) as being unpatentable over Sehr U.S. Patent 6,609,658.

Claim 2, Sehr teaches that the card station is connected via a communication link and that the components include a global communication network and can be implemented via any commercially available wired or wireless technology, including Internet service networks (column 7, lines 19-27). Sehr fails to specifically teach that the communication is done over an intranet connection. Official Notice is taken that an intranet connection is old and well known in the financial arts. It would have been obvious to one of ordinary skill in the art at the time of the Applicant's invention to modify the teachings of Sehr and include that the inputting of benefits in a terminal in connection with the central computer by means of an intranet connection because Sehr teaches that any commercially available wired or wireless technology can be used via cable/telephone lines (column 7, lines 19-27). Sehr also teaches that the ticket vending machine can be installed at an airport, a railroad station or a travel agency and therefore the machines can be located locally and the machines allow for the selection and issuance of the cards therefore not requiring outside communication via an internet (column 7, lines 28-38).

Claim 3, wherein the system for distributing benefits further comprises a smart card read/write device connected to the terminal for writing the at least a portion of the benefits monetary value to the at least one smart card (column 6, lines 43-55 and column 10, lines 3-24).

Claims 14 and 15, Sehr teaches that the travel center can function as a travel agent (column 4, lines 48-57). Sehr further teaches that payment forms can comprise promissory notes endorsed by a non-banking entity (column 16, lines 1-39). Sehr fails to specifically point out whether the non-banking entity is either public or private customer. Official Notice is taken public and private customers can be liable to the issuing authority. It would have been obvious to one of ordinary skill in the art at the time of the Applicant's invention to modify the teachings of Sehr and include that the non-banking entities be either private and public entities because both private and public entities have an interest in the financial transaction of travel related services.

10. Claims 8 and 9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sehr U.S. Patent 6,609,658 in view of Gustin et al. (hereinafter Gustin) U.S. Patent 5,987,439.

Regarding claims 8 and 9, Sehr teaches utilization of the smart card for food expenses (column 4, line 58 thru column 5, line 7). Sehr fails to teach that the issuing authority is a welfare agency. Gustin teaches a program by the Federal Government for distributing smart cards for particular benefits including for welfare and food stamps. It would have been obvious to one of ordinary skill in the art at the time of the Applicant's invention to modify the teachings of Sehr and include using the smart card for welfare services because Sehr teaches that the card can be used for multi applications and using it for welfare is merely another financial application. Furthermore, Sehr teaches that the card can communicate with systems implemented by the Federal Government including passport control.

Conclusion

11. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Stefano Karmis whose telephone number is (571) 272-6744. The examiner can normally be reached on M-F: 8-5.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alex Kalinowski can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Respectfully Submitted

Stefano Karmis
18 July 2007

